



**Directorate of
Intelligence**

~~Secret~~

25X1

Hungary: Growing Nationalism

25X1

An Intelligence Assessment

~~Secret~~

*EUR 85-10121
July 1985*

Copy **297**

Page Denied



**Directorate of
Intelligence**

Secret

25X1

Hungary: Growing Nationalism

25X1

An Intelligence Assessment

This paper was prepared by [redacted]
Office of European Analysis. Comments and queries
are welcome and may be directed to the Chief, East
European Division, EURA [redacted]

25X1

25X1

25X1

Secret

*EUR 85-10121
July 1985*

Secret

25X1

Hungary: Growing Nationalism

25X1

Key Judgments

*Information available
as of 10 June 1985
was used in this report.*

In the last five years or so, the Kadar regime has allowed, and even contributed to, a revival of Hungarian nationalist feeling. It has done so in part to win back some of the popular approval it lost when it imposed austerity measures to cope with the economic setbacks of the 1980s.

Senior party officials, also deeply concerned about the growing cynicism, alienation, and rejection of official ideology among the young, may view the careful cultivation of national pride as a way to instill confidence in the party as a defender of national interests. In addition, there are signs that party General Secretary Kadar, while still a committed Marxist-Leninist, is concerned that history should see him as more than just the man who subjugated Hungary to the USSR in 1956.

Whatever the reasons, Budapest has taken a number of steps in recent years to play to the genuinely popular sense of Hungarian nationalism. It has:

- Stepped up criticism of Romanian and Czechoslovak treatment of their large Hungarian minorities.
- Attempted—and in several cases succeeded—to secure the release of ethnic Hungarian activists from jails in Prague and Bucharest—initia-tives unprecedented in Warsaw Pact relations.
- Launched a campaign to glorify history and draw flattering comparisons between present-day Hungary and its past glories.
- Advocated a larger role for Hungary in bridging differences between the superpowers and even, in a January 1984 statement by the party's top foreign policy official, called for the primacy of national interests over Soviet Bloc solidarity.
- Continued to pursue—despite Soviet grumbling—high-level contacts with the West since NATO began INF deployments in 1983.

The growth of nationalism entails serious risks for Hungary. Emphasis on glorifying “the good old days,” after all, comes close to acknowledging that today's society leaves much to be desired. In addition, some of the territorial issues associated with Hungarian nationalism, if allowed to flower, would seriously disrupt Warsaw Pact unity. The nationalist revival has already led to an exchange of polemics, for example, at the highest levels of the Romanian and Hungarian Governments over the Hungarian minority in Romania, and has spawned Czechoslovak criticism of Hungary. Moscow, moreover, has weighed in by printing the Czechoslovak criticism but not the Hungarian rebuttal, and by warning Budapest in the Soviet media earlier this year against “bourgeois nationalism.”

Secret

EUR 85-10121
July 1985

The risks are potentially greater in the future. The nationalist samizdat, which already has caused the regime concern by gravitating toward the minority issue in Romania and Czechoslovakia, may begin to examine Soviet policies toward the Hungarian minority in the Ukraine. The USSR also may grow increasingly concerned about the impact of the squabbling between Hungary and Romania and Czechoslovakia. Soviet displeasure could prove costly because Hungary's relatively liberal political and economic policies ultimately rest on Soviet toleration. Nationalism also could raise domestic expectations that the regime is unable to meet, which, in turn, could undermine popular perceptions of the regime and drive a wedge between the leadership and the population.

The Kadar regime, in our view, is likely to try to remain on its current course, cautiously responding to public pressure on the minority issue, carefully cultivating national feeling as a source of popularity, and periodically cracking down when the nationalist movement threatens to gather too much momentum on a delicate issue. We believe the leadership probably will keep nationalism under control during the next few years—in large part because of Kadar's skill at manipulating public opinion. Nationalism might prove more difficult to manage in the event of a serious escalation of ethnic tension in neighboring states, a major economic downturn, or after Kadar's departure from the leadership. None of his potential successors appears to share his talents, and a less capable leader could be hard pressed to keep nationalist passions in check.

Secret

25X1

Contents

	<i>Page</i>
Key Judgments	iii
Introduction	1
Background	1
Signs of Growing Nationalism	1
The Regime's Play to Nationalism	5
The Minority Question	5
Glorifying History	6
Foreign Policy and National Interest	7
Regime Motives	7
A Balancing Act	9
Strains With Allies	9
Risks of Nationalism	10
Outlook	10

Secret

Secret

25X1

Hungary: Growing Nationalism

25X1

Introduction

Hungarian nationalism, dormant for many years after the shattering events of 1956, has begun to reawaken. The Kadar regime, which in the past decried this sentiment, has been responding to—and even cautiously exploiting—reviving national feeling in order to bolster its own legitimacy and divert public attention from the current economic slowdown. Such a policy is risky because Hungarian nationalism is a potentially dangerous mix of ethnocentrism and anti-Russian sentiment that could quickly become a major irritant to its Warsaw Pact allies. The alleged abuse of large Hungarian minorities in neighboring East European countries is currently the most emotional nationalist issue facing Hungarian leaders. This paper examines the nationalist revival and assesses its foreign and domestic implications.

25X1

the Hungarians, who suffered through defeat and territorial dismemberment in two World Wars, recurrent periods of severe social and economic dislocation, and the bloody suppression of the 1956 uprising. In the late 1970s, however, the foundations for a resurgence of national pride and self-confidence had been laid by a general economic dynamism, political stability under a government benevolent by historical standards, and living standards that compared favorably with most neighbors' for the first time since World War I. Growing concern over the worsening conditions of the large Hungarian minorities in Romania and Czechoslovakia also stimulated national feeling. Perhaps equally important is that the Hungarians enjoy a degree of freedom of expression unmatched anywhere in the Soviet Bloc, save possibly Poland, which permits them to discuss—and cautiously promote—nationalist causes.

25X1

Background

Nationalism has historically stirred strong passions in Hungary. It has repeatedly inspired heroic, if futile, rebellions against foreign domination and more than once has drawn Hungary into armed conflict with its neighbors. The ethnocentrism inherent in most nationalisms, moreover, is particularly acute in the Hungarian case. Surrounded by a sea of Slavic, Latin, and Germanic peoples, Hungarians have always harbored a strong sense of cultural uniqueness as well as a fear that their small nation will be swallowed by its larger neighbors. Hungarian nationalism also has traditionally had a strong anti-Russian flavor based on unhappy historical experience.

25X1

While we cannot point to any particular causal event, in our judgment several factors combined to produce a nationalist revival as the 1970s drew to a close. Before then, the 20th century had not been especially kind to

25X1

Signs of Growing Nationalism

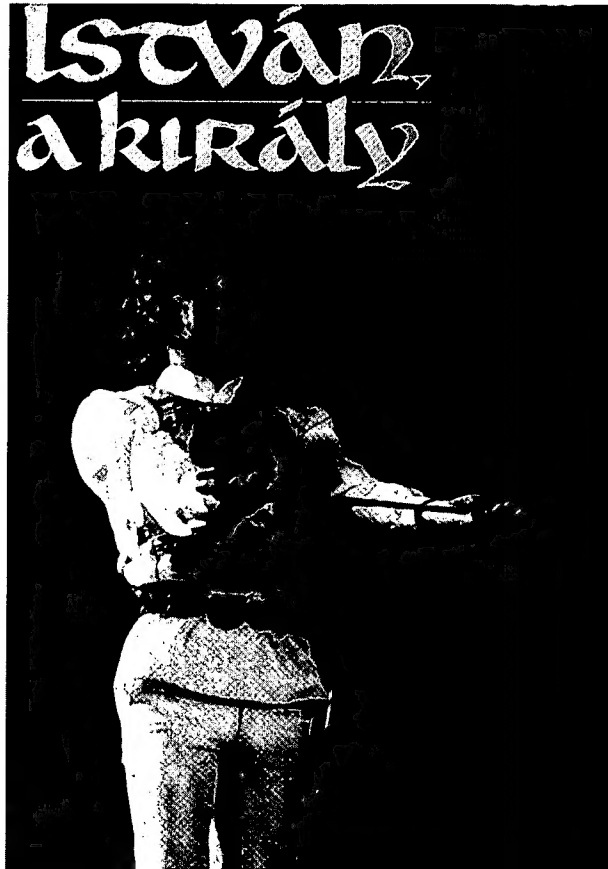
The Hungarian population for several years has been in the grips of a wave of nostalgia for pre-Communist periods, especially for the immediate post-World War II era and the last decades of the old Austro-Hungarian monarchy. Films, books, records, and other memorabilia that recall these periods all appear to reflect this fascination. The most openly nationalistic example probably has been the enthusiastic popular response to the 1983 rock opera *Stephen the King* commemorating the nation's patron saint (see inset). Another example is the striking success of the magazine *Historia* since it appeared in 1979. Geared for a mass audience rather than the academic specialist, *Historia's* issues are devoted to such topics as the alleged injustices of the World War I peace treaties, the revanchist foreign policy of the Horthy regime (1920-44), Hungary's role in the Habsburg monarchy, and the Communist takeover in 1947-48. Issues have often sold out within hours of appearing on newsstands.

25X1

Secret

Stephen the King

One of the most remarkable recent expressions of popular nationalism has been the enthusiastic public response to the rock opera Stephen the King (*Istvan a király*). The opera, which premiered in Budapest on 20 August 1983 (Hungary's national day), is based on the career of Stephen I (997-1038), founder of the Hungarian state and Hungary's patron saint. Originally scheduled for a single performance, it was extended by popular demand to a seven-night run, ultimately playing to an audience of more than 100,000. It has since become a popular movie and spawned a hit record. Although the opera represents an impressive artistic achievement by its composers, Janos Brody and Levente Szorenyi, the real source of its appeal appears to be its nationalistic message, which inspired audiences to wave Hungarian flags and burst into the national anthem at the close of each performance.



his adversaries, and inaugurates a long period of peace, progress, and happiness. It requires little imagination to substitute Kadar for Stephen, the USSR for Germany, and Marxism-Leninism for Christianity in order to arrive at a story that seeks to cloak the current regime in a mantle of historically rooted national legitimacy.

The nationalist symbolism of the opera appears to operate on two levels. On the one hand, Stephen is one of Hungary's foremost traditional heroes, whose achievements represent a stirring moment of national glory. Western observers have noted, however, that the opera's portrayal of Stephen's kingdom appears to be a transparent allegory for contemporary Hungary. Stephen is depicted as a man who ruled at a crucial juncture, when national survival demanded a leader able to preserve Hungary's autonomous identity while maintaining good relations with a far more powerful neighbor (Germany) and assimilating a new and alien philosophy (Christianity). Stephen prudently forges an alliance with the German emperor and, with the help of German missionaries, establishes Christianity as the new state religion. Faced with a pagan revolt, which espouses freedom from foreign thrall but promises only national destruction, Stephen enlists the aid of German troops, triumphs over

Both US Embassy and Western media reporting also indicate rising popular concern during the last few years over the situation of the Hungarian minorities in Romania and Czechoslovakia (see inset and map). Several prominent intellectuals have recently indicated to US Embassy officers that Hungary is experiencing a groundswell of popular interest in this issue that,

in turn, has been reflected in a flood of literature examining the background and current state of minority life. While treatment of this subject in officially sanctioned publications has been relatively restrained,

Secret

Secret

**Living Conditions for Hungarian Minorities in
Neighboring States**

The conditions of minority life vary widely from country to country. Hungarians fare relatively well in Yugoslavia, where they enjoy an important voice in local government, considerable cultural autonomy, and easy access to Hungary. Soviet Hungarians are less fortunate. Although the Soviet authorities provide Hungarian schools and sponsor certain Hungarian cultural activities, the minority lives in one of the least developed regions of the European USSR and has only limited contact with conationals in other countries. []

25X1

The most acute problems, however, prevail in Romania and Czechoslovakia, where conflicting nationalisms, mutual ethnic prejudices, and official policy all work to poison relations between Hungarians and the majority populations. Some of the difficulties faced by Hungarians in Romania and Czechoslovakia do not result from official policies of discrimination. The hardline regimes in Bucharest and Prague are wary of all forms of intellectual and cultural diversity, and Hungarians generally face the same strictures as members of the ethnic majorities. []

25X1

Minority Hungarians, however, are prone to draw highly unfavorable comparisons between the repressive political systems in the host countries and the relatively relaxed climate that prevails in Hungary. Similarly, the Ceausescu regime's mismanagement of the Romanian economy contrasts poorly with Budapest's innovative and more successful economic policies. Sensitive to these negative comparisons and afraid of ideological contamination from their more liberal neighbor, both the Romanians and Czechoslovaks further aggravate minority relations by restricting cultural interchange with Hungary and by impeding personal contacts between citizens of their countries and residents of Hungary. Another source of minority discontent, especially in Romania, is economic and demographic change that threatens the dominant position historically enjoyed by Hungarians in regional society. Such change has occurred in Transylvania as a result of Bucharest's efforts to bring in new workers to modernize and industrialize

the region, prompting local Hungarians to suspect that the regime's policy is designed to dilute their numerical superiority. []

25X1

Hungarians in Romania and Czechoslovakia also suffer certain disabilities flowing directly from their minority status. Both countries guarantee their minorities equal rights, administer Hungarian-language educational systems, and underwrite Hungarian cultural life. Reality, however, often falls short of official promises. In both countries, Hungarian schools have declined dramatically in number, quality, and variety since the 1950s, and both host governments have gerrymandered local concentrations of Hungarians. Moreover, anti-Hungarian prejudices are relatively widespread among Romanians and Slovaks. Both peoples are inclined to perceive themselves as victims of centuries-long Hungarian rule in Slovakia and Transylvania. Consequently, Hungarians often encounter petty harassment from local Slovak and Romanian officials and reportedly also suffer job and housing discrimination. At the same time, the Romanian regime helps to fuel Hungarian minority discontent by pursuing nationalistic policies that offend Hungarians by denigrating their historical role in Transylvanian life. []

25X1

Some of the blame for ethnic tension in Romania and Czechoslovakia, however, lies with the Hungarians themselves. Many of them appear to place loyalty to their ethnic community above loyalty to their country of citizenship. Moreover, Hungarians seem fully to reciprocate Slovak and Romanian ethnic prejudices. Minority Hungarians in Bratislava, which has been the Slovak capital for more than 65 years and has had a Slovak majority for a century, recently told a French reporter, for example, that the unsophisticated Slovaks were destroying the city because they "lacked urban traditions." []

25X1

Secret

Europe's Largest Minority



705130 (A05351) 7-85

More than 3 million Hungarians, representing Europe's largest national minority, live in the East European states that neighbor Hungary. Romania's Hungarian population, which exceeds 2 million, is concentrated in Transylvania. Czechoslovakia's minority, clustered along the Hungarian border in southern Slovakia, numbers 630,000. Northeastern Yugoslavia is home to 435,000 more Hungarians, and 171,000 remain in western Ukrainian territory annexed by the Soviets from Czechoslovakia after World War II.

25X1

25X1

Secret

25X1

samizdat literature, written in some cases by respected establishment literary figures, has often been harshly critical of Romanian and Czechoslovak minority policy. []

reporting generally indicates that, while Hungarians avoid open hostility toward Russians, they frequently voice distaste and mild contempt for Soviet people, culture, and products. []

25X1

25X1

Since 1982, sympathy for the plight of conationals in economically troubled Romania has repeatedly prompted Hungarians to organize the collection of food parcels. The Hungarian authorities, meanwhile, have come under public pressure to pursue a more assertive policy, and, on a number of occasions, leading intellectuals have petitioned the party and government to intervene on behalf of minority leaders imprisoned or allegedly maltreated by the Czechoslovaks and Romanians. In 1982, for example, 80 leading academic and literary personalities publicly endorsed a protest against Romanian minority policies sent by Transylvanian Hungarian dissidents to the CSCE Conference in Madrid. []

Thus far the intelligentsia has taken the leading role in the nationalist revival, but evidence []

25X1

[] suggests that nationalism strikes a responsive chord at virtually all levels of society. For exam-

25X1

ple, a series of confidential public opinion surveys conducted by the Hungarian Mass Media Research Center reveals the strength—and growth—of national feeling among the population. In one poll taken in 1971, only 43 percent of workers and 70 percent of university students responded accurately to questions about the Hungarian minorities in Eastern Europe. By 1979, however, a similar poll saw the accurate responses climb to nearly 100 percent for both groups. Another confidential Hungarian study in 1982 of national consciousness among children 10 to 14 years old suggested that ethnocentrism, awareness of the minority issue, and antipathy toward some of Hungary's neighbors, especially the Romanians and Soviets, are all widespread at this age.² []

25X1

25X1

The minority issue also has spilled over into a controversy surrounding the potential environmental impact of a joint Hungarian-Czechoslovak hydroelectric project on the Danube. After considerable monetary outlay, the Czechoslovaks have nearly completed their part of the project. Budapest, which has barely begun its portion, has encountered widespread public opposition. Last summer, for example, almost 7,000 people signed a petition asking the government to break its agreement with Prague. Not since 1956 have so many Hungarians publicly declared their disapproval of any official policy. [] the opposition is motivated, in addition to concerns about water pollution, by the fact that the project will flood areas in southern Slovakia populated almost exclusively by ethnic Hungarians. []

The Regime's Play to Nationalism

The Minority Question

Official Hungarian criticism of treatment given minority Hungarians has had a long history, but it entered its present, more dramatic phase in 1977, when a summit designed to ease ethnic tension failed to have satisfactory results. A few months after the meeting, the official Hungarian press carried two

25X1

Although the Hungarians have refrained from openly demonstrating their traditional antipathy for Russians, this sentiment never lies far beneath the surface. Last year, for example, according to an Embassy officer, a well-publicized wreath-laying ceremony in Budapest by Soviet Foreign Minister Gromyko failed to draw a crowd, and an embarrassed Gromyko ended the event by smiling and waving to the largest group of spectators—a handful of US consular employees watching from Embassy windows. Extensive Embassy

² When asked, for example, to rank a list of 26 political expressions, a sample of children from all social backgrounds responded most positively to those with the clearest national content—"Hungarian Anthem" and "red-white-green flag." Among the expressions that fared more poorly were "socialism" (seventh most positive), "money" (eighth), "Party" (ninth), and "God" (16th). The study also provides some indirect evidence that the children are aware of the situation of Hungarians in Romania. Only 28 percent of respondents answered affirmatively to the question, "Would you change places for a year with a Hungarian child in Romania?" The affirmative answers rose to 50 percent for Czechoslovakia and 60 percent for Yugoslavia. []

25X1

Secret

articles by the fiery nationalist poet Gyula Illyes,³ who, while avoiding specific reference to Romania, likened the fate of minority Hungarians to that of South African blacks under apartheid. These articles were followed by thinly veiled media attacks on Bucharest's minority policies and the "injustices" of Trianon.⁴ The tone has occasionally become quite shrill, as in 1982 when the leading party daily published a satire that cruelly caricatured Ceausescu, implicitly ridiculed Romania's policies toward nationalism, and indirectly attacked Romanian treatment of the Hungarian minority. []

The minority issue has heated up since August 1984, when Hungary's criticism of Romanian minority policies escalated to the level of party-to-party communications. In November, for example, the Hungarian leadership's official greeting to the Romanian party congress indirectly criticized Romanian minority policies. About the same time, the guidelines for the Hungarian congress issued by the Party Central Committee bluntly asserted that Hungary could "justifiably demand" that minority Hungarians be able to foster their language and culture. At the March party congress, several speakers spoke about the plight of the minorities, and Imre Pozsgay, leader of the People's Patriotic Front, devoted most of his speech to the subject, stating that maltreatment of minorities was unworthy of civilized nations. []

[] Budapest, in a move unprecedented in relations among East European Communist states, also has quietly sought the release of ethnic Hungarian leaders from Czechoslovak and Romanian jails. Hungarian intercession has had some success in both cases. Romanian authorities released ethnic Hungarian samizdat editor Attila

³ Illyes (1902-83), whose artistic achievements have won popular acclaim and frequent official recognition, is a major figure in 20th-century Hungarian literature. An impassioned nationalist, he began during the 1970s to speak out boldly on the minority issue, occasionally earning official censure for granting controversial interviews to Western journalists on the subject. []

⁴ The Treaty of Trianon (1920), which marked Hungary's defeat in World War I, cost Budapest nearly three-fourths of its prewar territory and left millions of ethnic Hungarians in surrounding states. Among Hungary's losses were Transylvania (to Romania), Croatia and the Vojvodina (to Yugoslavia), and Slovakia and the Trans-Carpathian Ukraine (to Czechoslovakia). []

Ara-Kovacs and allowed him to emigrate to Hungary,⁵ while the Czechoslovaks amended the charges against ethnic Hungarian Charter 77 dissident Miklos Duray in order to release him under the V-E Day amnesty. []

Glorifying History

The Kadar regime's efforts to encourage pride in the nation's past constitute a policy shift. Recent Hungarian history conjures up many unsettling memories—the revanchist interwar foreign policies of the right-wing Horthy regime, Hungary's wartime alliance with Nazi Germany, the brutal Stalinism of the early 1950s, and the 1956 revolution. Consequently, a leadership wary of offending its allies or stirring up domestic political controversy chose until the 1970s simply to play down the past and to concentrate instead on advertising the economic achievements of the present. []

The authorities now appear to have concluded that the benefits of cultivating pride in Hungary's past outweigh potential risks. The leadership, in our judgment, apparently believes that such a campaign will bolster its popularity at a time when faltering economic performance and stagnating living standards are increasing alienation and pessimism about the future among the population. Consequently, the regime has taken a number of steps designed, in our view, to highlight Hungary's national heritage. The regime scored a major coup in 1978 by negotiating the return of St. Stephen's crown, Hungary's most treasured national symbol, from its 34-year American exile. The increase in historical literature since the late 1970s and the staging of *Stephen the King* almost certainly have enjoyed high-level sanction. Moreover, in 1982 the Party Central Committee's Agitprop Department hosted a conference that studied ways of enhancing public awareness of the nation's past. []

During the last 18 months, the regime appears to have redoubled its efforts to promote history as a source of national pride. Government and party officials have

⁵ Embassy sources report that the Hungarian authorities have not prevented Ara-Kovacs from publishing an underground newsletter that is smuggled back into Transylvania. []

repeatedly urged the public to take more interest in the Hungarian past. For example, at the beginning of this year, the state television network began closing its broadcasting day by playing the national anthem and showing scenes recalling Hungary's historic splendor—a move applauded by the Communist Youth League newspaper as a good way to familiarize young people with their national heritage. Moreover, in sharp contrast to the past, the regime celebrated with great fanfare the 15 March anniversary of Hungary's 1848-49 uprising against Austria, an undertaking that ended in defeat after Russian intervention on the Austrian side. []

Foreign Policy and National Interest

The regime also has been subtly shifting Hungarian foreign policy toward greater assertiveness of national interests. In an article published in January 1984, party secretary for international affairs Matyas Szuros stressed the importance of national interest in the formulation of foreign policy. Tracing the development of the international Communist movement, he asserted that the interests of ruling Communist parties no longer necessarily mirror those of the USSR as they did in the days of the Comintern and Cominform. In today's world, he wrote, Communist states may collaborate closely with each other through mechanisms like CEMA and the Warsaw Pact, but each party must assign first priority to national interests, which can be subordinated to international ones only in "extraordinary circumstances." []

[] Public statements by other senior Hungarian officials—including party chief Kadar—also have stressed the special role that Hungary and other small and middle-sized states in both blocs can play in bridging differences between the superpowers. []

The desire to protect their vital economic links with the West also has led the Hungarians to promote their own interests more vigorously on the international scene. During late 1983 and 1984, when Moscow pressed its allies to adopt a harder line toward the West in response to NATO INF deployment, Budapest continued to espouse East-West dialogue and to maintain cordial relations with Western governments.

[] the Hungarians also attempted—with some success—to soften anti-Western Soviet rhetoric in communiques following several high-level Warsaw Pact meetings in 1983-84. Despite Soviet grumbling, moreover, Budapest last year played host to the leaders of three of the West European governments that had agreed to accept INF basing—British Prime Minister Thatcher, Italian Premier Craxi, and West German Chancellor Kohl. []

Budapest has backed away from further dramatic statements of foreign policy autonomy since last autumn, when the agreement to resume the Geneva arms talks improved the atmosphere of East-West relations. This has led the Soviets, in our judgment, to ease pressure on the East Europeans to curtail contacts with the West, thus removing the incentive and need for Budapest to chafe at Moscow's tether. Should East-West tensions increase again, however, we believe the Hungarians would try to preserve their Western contacts but, in the final analysis, would yield to very strong Soviet pressure. []

Regime Motives

The regime's efforts to court nationalism, in our judgment, stem in large part from its perceived need to respond to popular pressure. Some of the issues raised by the nationalist revival, especially the Hungarian minority question, are laden with emotion, and the authorities probably are concerned that ignoring them would undermine what popularity the regime enjoys. Careful manipulation of the issue, meanwhile, offers substantial advantages. By actively cultivating its image as an advocate of national interests abroad, encouraging positive comparisons between present achievements and past glory, and posing as a defender and patron of the Hungarian minorities in neighboring countries, Hungary's rulers can enhance their popularity and solidify their national legitimacy. []

Secret

Current trends in the economy and in the economic reform program also may make a play to popular nationalism attractive now that living standards are not improving rapidly as they did in the 1970s. The Kadar regime, long wary of the potentially explosive character of nationalism and committed to a Marxist-Leninist ideology that scorns ethnocentrism in favor of proletarian internationalism, traditionally preferred to seek popular acceptance by providing increasing material abundance. In the 1980s, however, economic performance has faltered and Budapest has been obliged to introduce austerity measures and hold down living standards in order to service its foreign debt. []

25X1

The regime's economic decision makers apparently believe that sustained recovery lies in reforms involving greater enterprise autonomy, more wage differentiation, and an expanded official role for the private sector. These reforms have been welcomed by entrepreneurs, skilled workers in service occupations, some of the bolder enterprise managers, and others who can successfully exploit new economic opportunities. Party leaders have admitted—most recently at the March party congress—that reform is not universally popular, however. It also brings inflation, lower relative wages, and the possibility of unemployment for many blue-collar workers, favored by the old system. []

[] these workers—especially those in heavy industry whose skills are not readily adaptable to changing circumstances—consider the new reforms to be unfair. []

25X1

The greater national assertiveness in foreign policy also has, in our judgment, largely an economic basis. []

[] Budapest is deeply concerned that any strains in superpower relations will seriously threaten its vital economic links to the West. During the last few years, Budapest has made a sustained effort to develop export markets in Western

⁶ A classified public opinion survey taken in 1981 by the Party Central Committee indicates striking differences between the elites and the working class over the desirability of economic reform. The survey, which broke down its sample by education and party affiliation rather than social class, showed that individuals with a university education—regardless of party membership—tended to favor economic liberalization and to take a more positive view of the future. Those with less education expressed greater concern for their future material well-being and were far less enthusiastic about the reform program. []

Europe and the United States and to secure financial assistance from Western banks. Last February, for example, economic reform czar Ferenc Havasi made a lengthy visit to the United States to promote economic ties. The regime apparently believes—and we agree—that its innovative economic reform program depends heavily on the availability of Western credit, technology, and markets. []

25X1

We also believe that the Hungarian leadership may perceive an appeal to national sentiment as an antidote to the cynicism and alienation that appear to be widespread among Hungarian youth. Many young people, skeptical about the regime's promises for a better future and frustrated by low salaries, limited job mobility, and severe housing shortages, seem disillusioned with official ideology. A study published last year in Budapest, for example, openly admitted that many young people have simply rejected Marxism-Leninism.⁷ Increasing rates of divorce, abortion, suicide, drug abuse, and alcoholism also appear linked to the difficulties faced by young people. At the same time, Hungary's youth lack the historical perspective of older generations who are able to contrast the relatively prosperous and politically relaxed present with the austere and repressive 1950s and early 1960s. []

[] party officials are deeply worried about this trend and many view the careful cultivation of national pride among young people as a means to combat cynicism and instill confidence in the party as a defender of national interests. Last autumn, the Party Central Committee devoted nearly an entire plenary session to youth issues, and policy toward the young figured prominently at the March party congress. Unable to alleviate the material shortages faced by many young people, speakers at the congress exhorted the schools,

25X1
25X1
25X1

25X1

⁷ The study, entitled "Hungarian Youth in the 1980s," was published with the apparent blessing of the Party Central Committee. Its principal conclusion is that young people are ideologically and spiritually adrift and generally favor individualism and personal independence over the collective values emphasized by Marxism-Leninism. []

25X1

25X1

Secret

Secret

the Communist Youth League, and the military to redouble their efforts to instill ideologically correct values in their young charges. Since 1982, Hungary's rulers have even turned to the churches for help in filling the spiritual vacuum in which so many young men and women seem to find themselves. []

25X1

Finally, the regime's actions may be based in part on their genuine emotional appeal to the Hungarian leadership. While we believe that Kadar is a committed Marxist-Leninist and that he rejects ethnocentric nationalist values and beliefs, he nonetheless has devoted nearly 30 years to forging a uniquely Hungarian approach to political and economic life under Communism. Moreover, US Embassy reports based on firsthand interviews with Kadar suggest that he may be taking greater interest in his place in Hungarian history as his long career enters its twilight. It is unlikely that any other East European leader would echo Kadar's sentiment voiced at the party congress that he hoped "people of Hungarian nationality" throughout the world will be able to "hold their head high" when they hear about Hungary. Kadar aside,

25X1

[] several other senior officials, including People's Patriotic Front leader Pozsgay and the Transylvanian-born Culture Minister Bela Kopeczi, are sympathetic to the nationalist cause. []

25X1

A Balancing Act

The play to nationalism has, however, been cautious and marked by efforts to keep the sentiment from getting out of hand. Statements touting foreign policy autonomy have been balanced by promises of unshakeable loyalty to the Soviet Union and the Warsaw Pact, and Hungarian foreign policy has generally differed more in tone than in substance from the Moscow line. Moreover, Budapest has been careful to yield to firm Soviet pressure on East-West issues. Last summer, for example, the Hungarians grudgingly acquiesced in the Soviet Olympic boycott, and, after

* The official media have repeatedly encouraged the churches to assume a more active role in youth and social policy, and senior party officials have even conceded the positive moral impact of religious values on young people. At the same time, the regime has taken steps to facilitate religious education and the dissemination of religious literature. []

initially supporting East German party chief Honecker's proposed visit to Bonn, they joined a Moscow-sponsored media campaign against the trip. The Hungarians have also denounced Western efforts to differentiate between Hungary and some of its more ideologically orthodox allies. []

25X1

The authorities also have reined in the nationalist movement when it threatened to develop its own momentum. US Embassy reporting suggests that the authorities are particularly apprehensive about links between the nationalist movement and the dissident community. Hungary's dissidents, virtually all of whom are intellectuals dissatisfied with regime restraints on civil liberties, are few in number and relatively isolated from the mainstream of Hungarian life. Since the beginning of the 1980s, however, they have begun to turn their attention increasingly toward human rights violations by neighboring states against ethnic Hungarians. This represents an issue that the dissidents could use to arouse broad public support. A senior party journalist informed the US Embassy that a tightening up by police on the underground press in late 1982 and early 1983 was aimed at curbing a dissident campaign to drum up public support for incarcerated Hungarian minority activists in Romania and Czechoslovakia. Shortly thereafter, the Kadar regime disciplined prominent nationalist poet Sandor Csóri by banning him from writing prose for a year after his samizdat attack on Czechoslovak minority policy was published in the United States. The party has taken other steps to dampen nationalist emotions, including the admonition of a Party Central Committee plenum in April 1983 against the dangers of "bourgeois nationalism," and reported warnings to the media to tone down nationalist content. []

25X1

Strains With Allies

[] the nationalist revival has, indeed, damaged Hungarian-Romanian relations. Since the late 1970s, Romanian officials, journalists, and scholars have frequently traded polemics with their Hungarian counterparts over past

25X1

25X1

Secret

Secret

and present ethnic relations in Transylvania and Hungary's historical role in that region. Last December, moreover, Ceausescu gave a televised speech that indirectly accused the Hungarians of spreading "nationalist and chauvinist disinformation," implied that the specter of irredentism has yet to be exorcised from Budapest, and warned that some of Romania's citizens had fallen prey to hostile foreign propaganda. A few weeks after the Ceausescu speech, the Romanians closed their only Consulate in Hungary. Although a senior Hungarian official claimed that the closing was based on financial reasons, the Romanians, in our judgment, also intended it as a warning to Hungary to tone down its attacks on Romanian minority policy.⁹

Romanian sensitivity probably springs from a number of sources. The Ceausescu regime, which seems increasingly worried about potential minority unrest as living standards in Romania worsen, must be apprehensive about the impact of the Hungarian nationalist revival in Transylvania and reportedly fears

that Budapest might have a hand in sowing sedition there. The Romanians may also worry that their sovereignty in Transylvania might reemerge as a live issue for the first time since World War II. Budapest has repudiated any claims to Romanian territory, and we believe it unlikely that many Hungarians take the prospect of frontier revision seriously. But painful historical memories die hard,¹⁰ and several sources indicate that Bucharest

⁹ The Consulate was opened in 1980 as part of the deal agreed upon at the 1977 Kadar-Ceausescu summit designed to ease ethnic tension between Hungary and Romania. At the same time, Budapest was granted a consulate in the heart of the Hungarian minority area in Transylvania. The closing of the Romanian Consulate consequently has important symbolic significance for Hungarian-Romanian relations and may be a signal that further criticism of Romanian minority policy could cost the Kadar regime its Transylvanian Consulate.

¹⁰ The central purpose of Hungarian foreign policy between the two World Wars was revision of the Treaty of Trianon, and in 1921-22 a worried Romania felt compelled to conclude an alliance (the Little Entente) with Czechoslovakia and Yugoslavia for protection against Hungarian revanchism. Hungary's territorial aspirations were at least partially fulfilled, however, through alliance with Nazi Germany. Participation in Hitler's dismemberment of Czechoslovakia (1938-39) won Budapest southern Slovakia and the Transcarpathian Ukraine. A year later Hitler oversaw the transfer of northern Transylvania to Hungary from Romania, and in 1941, when Yugoslavia fell victim to Nazi invasion, Hungary seized the Vojvodina. Following her defeat in World War II, Hungary was reduced to her 1920 borders.

fears that Moscow might subtly encourage Hungarian irredentism in an effort to constrain Romania's maverick foreign and Warsaw Pact policies.

Hungarian-Czechoslovak relations have also been affected. Although Czechoslovakia's relatively small Hungarian minority poses fewer problems for the host regime than Transylvania's larger Hungarian community, Prague is highly sensitive to developments in Hungary that encourage nationalist dissidence in Slovakia. At the same time, there are other irritants in mutual relations that could be aggravated by friction over the minority issue.

25X1

25X1

25X1

25X1
25X1

Although there is no evidence of serious differences between the Kremlin and the Hungarians, Moscow twice in the last year has indirectly warned Budapest about nationalist excesses. Last April, when Hungary's controversial policies came under fire from Prague, the Soviet media reprinted some of the Czechoslovak criticism and not the Hungarian rebuttal. The Soviet press also followed with a number of articles calling for greater Bloc solidarity and uniformity. More recently, as Romanian-Hungarian differences over the minority issue began to heat up at the beginning of this year, a leading Soviet journal implicitly warned against "remnants of chauvinism" and "bourgeois nationalism" in Hungary.

25X1

25X1
25X1

Secret

Risks of Nationalism

Although the nationalist movement has thus far been free of anti-Soviet manifestations, they might surface in the future. The nationalist samizdat, for example, has so far avoided any criticism of Soviet policies toward the Hungarian minority in the Ukraine, but this nonetheless is an issue with explosive potential. At the same time, Moscow may worry about the impact of growing Hungarian nationalism on Bloc solidarity. In the past, the Soviets may, indeed, have periodically encouraged Budapest to raise the Transylvanian minority issue or question the verdict of Trianon in order to signal displeasure with Romania's maverick foreign policy. Since the late 1970s, however, Hungarian criticism of Romania appears to have been self-initiated, and Moscow's patience with squabbling between Hungary and obedient, ideologically upright Czechoslovakia is likely to be relatively thin. []

25X1

Soviet displeasure over Hungarian nationalism could prove costly to Budapest. The Kadar regime's continued ability to pursue relatively liberal political and economic policies ultimately depends on Soviet toleration. [] Budapest worries that manifestations of nationalism disrupting Warsaw Pact unity will lead the Soviets to reevaluate their tolerance of Hungary's political and economic idiosyncracies. At the same time, they add, too much national assertiveness in foreign policy might provoke Moscow to curtail Hungary's vital economic links with the West. []

25X1

Nationalism also has potentially disruptive domestic repercussions. Unleashed nationalist passions could prove hard to control, and the Kadar regime probably is worried that it may face strong public pressures to take actions that neither its ideological commitments nor its Warsaw Pact responsibilities would permit. Yet, refusal to do so could undermine popular perceptions of the regime and drive a wedge between rulers and ruled in a country whose leaders now appear to enjoy a level of popular approval unmatched in Soviet-dominated Eastern Europe. []

25X1

Outlook

We expect nationalism to play an increasingly influential role in shaping Hungarian public opinion. Nationalism has powerful emotional appeal in Hungary, and the external and internal factors that have encouraged its revival are likely to persist. The Kadar regime, moreover, is likely to remain on its current course, cautiously responding to public pressure on the minority issue, carefully cultivating national feeling as a source of popularity, and periodically cracking down when the nationalist movement threatens to gather too much momentum on a delicate issue. []

25X1

The authorities probably will manage to keep the nationalist movement under control during the next few years. Hungary's rulers may face growing public pressure to act on behalf of the Hungarian minorities or to allow an even greater measure of freedom to address sensitive nationalist issues, but Kadar has few, if any, peers among East European leaders at skillfully manipulating public opinion. Popular nationalism might, however, prove more difficult to manage in the event of a serious escalation of ethnic tension in neighboring states or a major economic downturn in Hungary. Moreover, the eventual departure of the 73-year-old Kadar, whose long career has almost certainly entered its twilight, may also impede the regime's ability to deal effectively with the nationalist movement over the long run. None of the potential successors appears either to share Kadar's political acumen or enjoy a comparable measure of popular esteem. A less capable, less respected leadership could find difficulty in trying to keep nationalist passions in check without alienating a broad segment of its own citizenry. []

25X1

25X1

Hungary's relations with Romania and Czechoslovakia also could be further damaged by resurgent Hungarian nationalism. Minority Hungarians are becoming increasingly emboldened by the nationalist

message that, in turn, could lead to heightened ethnic tensions in both Transylvania and Slovakia. Prague and Bucharest are extremely sensitive to such developments and could well step up the pressure on Hungary to curb the nationalist movement. Budapest, however, at a time of greater ethnic tension in neighboring states may be facing—and yielding to—greater domestic pressure to be more assertive in defense of minority rights.

25X1

The greatest hazard, however, lies in the inherent threat posed by nationalism to Budapest's relations with Moscow. While it is unlikely that Budapest will deviate too far from Soviet positions on major international issues, for domestic purposes Budapest will probably be tempted to demonstrate a measure of autonomy. Further strains in superpower relations could again lead the Hungarians to try to distance themselves as much as possible from hardline Soviet positions on East-West issues. Moreover, US diplomats speculate that the younger generation of Hungarian leaders may be somewhat more inclined than their elders to strain at the Soviet tether. More serious difficulties would arise if the Hungarian nationalist movement began to show signs of anti-Sovietism or if Hungarian squabbling with Czechoslovakia and Romania over the minority issue appeared in Soviet eyes to seriously threaten Warsaw Pact unity. Should either development come to pass—and neither can be ruled out if the strength of nationalism in Hungary continues to grow—the Kremlin could decide to crack down on a regime whose relatively liberal policies have helped to spawn national pride.

25X1

Secret

Secret